

Message Text

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46

ORIGIN XMB-07

INFO OCT-01 EA-11 ADP-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 CIEP-02

LAB-06 SIL-01 OMB-01 INT-08 NSC-10 SS-15 STR-08

CEA-02 /128 R

66602

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EB/IFD/ODF:EMLINTON

----- 130371

R 031402Z AUG 73

FM SECSTATE WASHDC

TO AMEMBASSY JAKARTA

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E.O. 11652: N/A

TAGS: EFIN, ID

SUBJECT: EXIMBANK LOAN TO CANTRANS GROUP

REFERENCE: JAKARTA 9107

1. EXIMBANK REQUIRES "REASONABLE ASSURANCE OF REPAYMENT" IN EXTENDING CREDITS. WITHOUT A SUITABLE GUARANTOR, SATISFACTORY SECURITY FOR THIS TRANSACTION REQUIRES THAT EXPORT PROCEEDS BE USED TO SERVICE OBLIGATION.

2. EXIMBANK AND EDC GAVE CAREFUL CONSIDERATION TO THE SECURITY PROBLEM ON CANTRANS AND BOTH CONCLUDED THAT WITHOUT LIMITED OFFICIAL USE

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A SATISFACTORY FINANCIAL GUARANTOR, THAT A FOREIGN EXCHANGE

EARNINGS TRUST ACCOUNT ARRANGEMENT WITH CANTRANS IS NECESSARY.

3. THE USE OF FOREIGN EXCHANGE EARNINGS PLACED IN A FOREIGN EXCHANGE TRUST ACCOUNT HAS BEEN USED IN SEVERAL EXIMBANK TRANSACTIONS IN INDONESIA. FREEPORT INDONESIA, THE WEST IRIAN COPPER PROJECT, AND MORE RECENTLY EXIM'S SUPPORT OF THE INCO PROJECT (NICKEL) ARE EXAMPLES OF THIS ARRANGEMENT. IN ADDITION EXIM'S PRELIMINARY COMMITMENT FOR PERTAMINA'S LNG PLANT CONTAINS THIS PROVISION. IT IS ONLY BECAUSE OF THE TRUST ACCOUNT ARRANGEMENT THAT EXIMBANK HAS BEEN ABLE TO PARTICIPATE IN THE ABOVE TRANSACTIONS. ROGERS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 03 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE152852
Document Source: CORE
Document Unique ID: 00
Drafter: XMB:DBSMITH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730859/aaaabrac.tel
Line Count: 72
Locator: TEXT ON-LINE
Office: ORIGIN XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 JAKARTA 9107
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 23 NOV 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23-Nov-2001 by shawdg>; APPROVED <27 FEB 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXIMBANK LOAN TO CANTRANS GROUP
TAGS: EFIN, ID
To: JAKARTA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005